



GSA Office of Inspector General



# Audit Plan

FY2005

# FOREWORD

*This audit plan reflects the results of the Office of Audits' planning effort for FY 2005. The audits and other reviews identified in this document were developed after consideration of the Presidential Government Initiatives, GSA's Strategic and other performance goals and measures, legal and regulatory requirements, discussions with GSA managers, and our assessment of high risk areas and the management challenges facing the Agency. Our goal in developing the FY 2005 audit plan was to develop a road map of how our office can best protect the taxpayers' interests, help GSA managers improve their operations, and add value to the General Services Administration.*

*The audit plan consists of three sections.*

- Section one outlines our goals and strategies for helping to improve GSA operations.*
- Section two presents the planned audits for FY 2005.*
- Section three explains the different services that we make available to our customers.*

*The audits identified in this plan are considered to be our highest priority. Collectively, these reviews will: assess many of GSA's programs, systems, operations, and management controls; respond to requests from GSA management; or address compliance with laws or regulations. This plan places increased emphasis on preaward Attestation Reviews of vendor proposals for Multiple Award Schedule contracts, as well as internal reviews of procurement related activities in FSS and FTS. These initiatives are in response to OMB's budget pass back language calling for greater oversight of GSA procurement programs that have a government-wide impact.*

*I want to thank GSA managers and OMB officials for their help in developing our audit program. Your comments, suggestions, and requests contributed greatly to the preparation of the FY 2005 final plan.*

*Eugene L. Waszily*

Eugene L. Waszily

Assistant Inspector General for Auditing

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# FY 2005 STRATEGIES

## Mission and Goals

The Office of Audit's mission is to add value and provide timely, cost effective, professional, and useful products and services to our clients and stakeholders. Our ultimate goal is to help improve GSA while simultaneously protecting the integrity of its operations. We intend to accomplish our mission by continuing to identify and address the challenges facing GSA management. Our strategy relies on an open flow of communication with all of our customers. We will foster a professional relationship with our customers and recognize our mutual interest in helping GSA improve its operations and accomplish its goals.

## Planned Reviews

In FY 2005, we intend to emphasize national reviews of GSA programs, test operations and security of information

systems, supervise financial statements audits, assess management controls, perform reviews of contract proposals and contract performance, and complete other reviews as required by law, executive or other order or regulation. These reviews have become the staple of our organization. In addition, we will continue to offer a variety of other services that are intended to assist management in improving operations. These services include benchmark and other advisory services, ex-officio membership on agency task forces, commenting on proposed or pending regulatory and legislative issues, participating on government-wide workgroups, assessing system development efforts, etc. Attestation review services are also available to help GSA contracting officials carry out their procurement responsibilities and obtain best value for Federal customers and the American taxpayers.

## **Other Clients**

Outside of GSA we continue to work with the Congress and its committees, the OMB, the President's Council on Integrity and Efficiency, and others on issues pertinent to GSA, or Government-wide issues, and to carry out our legislative mandates. We will provide audit, advisory, and analytical services, prompt answers to questions and testimony or other professional advice.

## **Communication With GSA Officials**

Communication is the most important element in the audit process. First, we use our nationwide information networks of auditors and managers, headed by Regional Inspectors General for Auditing in the headquarters audit offices, to periodically contact GSA managers to remain current on events and initiatives taking place in GSA as well as management concerns.

While performing audits, we keep management informed during each phase of the process. We use audit engagement letters at the start of the review to provide a general explanation of the focus of the review, where work will be performed, the estimated start date of the audit, etc. We hold entrance and exit conferences and prepare draft and final reports. We also hold meetings during the review process to keep management informed as to the progress of the review. Upon completion of the audit, we work with management to resolve any issues in a timely manner.

## **Audit Resolution**

The Inspector General Act Amendments of 1988 require the Administrator to report directly to Congress on management decisions and final actions taken regarding audit recommendations issued by the OIG. We partner with GSA managers to achieve management decisions within the required maximum of six months after report issuance, as well as

final action on each management decision within twelve months after the date of the audit report. When final action is not achieved within one year of an audit's management decision date, an explanation is necessary in the report to Congress.

## **Customer Surveys**

Management's opinions on the quality and value of our products and services are important to us. Each audit report includes a customer survey questionnaire that we hope will be completed by the cognizant manager or contracting officer. Our office uses the completed questionnaires to assess and improve the usefulness of our audits and related services.

## **Professional Auditing Standards**

In June 2003, the Comptroller General of the United States reissued auditing standards that impact the nature, scope, and terms of traditional contract audit services. We assessed the impact

of these changes and, through our January 2004 memorandum, advised the GSA Services and Staff Offices of changes that affect them and the reports they receive. The changes impose restrictions on the kinds of work auditors may perform, establish new requirements for documentation and evidence gathering, and substantially alter audit terminology and reporting standards for audits ending on or after January 1, 2004.

Attestations reviews are designed to address those instances where an auditor is engaged to provide assurances on an assertion, such as a contract proposal or submission that is the responsibility of another party (the contractor). Attestation reviews have replaced our traditional contract audits. Preaward and postaward attestations reviews will routinely be performed to provide contracting officials with negative assurance regarding the material accuracy and completeness of contractor costs, submissions, proposals, or claims.

## **Preadward and Contract Performance Support**

In FYs 2004 and 2005, the Federal Technology and Federal Supply Services may each transfer up to \$2 million to the Office of Inspector General to reimburse the OIG for expanded coverage to be dedicated to conducting preaward reviews or contract progress assessments having government-wide impact. This expanded effort is to ensure FTS and FSS contract vehicles

result in reasonable pricing for customers and they adhere to fundamental contracting principles in the Federal Acquisition Regulation. We are working closely with FTS and FSS to develop a preaward and contract performance assessment program that strengthens government-wide contracts and provides value for the taxpayers.

# FY 2005 AUDIT PLAN

The Fiscal Year 2005 Audit Plan represents the Office of Audits' roadmap for using its available resources in the next fiscal year. The Plan anticipates a resource mix utilizing 63 percent of the available direct staff for internal and 37 percent for contract audits. This mix continues our emphasis on high priority reviews of GSA programs, yet provides sufficient time for contract-oriented reviews.

The Plan allots a significant amount of the internal audit time

to the more substantial program, information systems, management control, and regulatory reviews, while still providing reasonable coverage for compliance and regional issues. We recognize that over the coming year GSA managers will request special audits to be performed on a priority basis. Although we intend to maintain the overall direction presented in this Audit Plan, the Plan contains sufficient flexibility to respond to these management requests.

# INTERNAL REVIEWS

Detailed information, by service or staff office, on planned internal audits expected to start in FY 2005 is presented separately in the paragraphs that follow. These audits are in addition to the audits currently in process that are scheduled for completion in FY 2005.

## PUBLIC BUILDINGS SERVICE

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
Program	<b>Security Coordination with Department of Homeland Security and the FPS and Background Suitability Checks and Security Clearances</b>	September 2005

FOCUS: In March 2003, the Federal Protective Service (FPS) was transferred from the GSA to the Department of Homeland Security (DHS), along with funding support until FY 2005. GSA and FPS/DHS operate under a Memorandum of Agreement for obtaining services such as basic security services for buildings, contract guard service, law enforcement services, background suitability determinations for contractors (including Child Care), pre-lease security services, occupant emergency plan support and continuity of operations plan activation support. This audit will assess whether the operating procedures between GSA and the FPS/DHS result in GSA getting the full scope of required security services. In addition, at the request of the GSA Administrator, the audit will address whether Agency officials have sufficient management controls in place to ensure that: (a) all contract employees undergo the required background suitability checks prior to working at GSA-controlled facilities and (b) all GSA employees have a proper and current security clearance commensurate with the responsibilities of their position.

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
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Program	<b>Environmental Management Program</b>	September 2005
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FOCUS: This is a follow-up review to a prior audit, dated February 16, 2000, which concluded that PBS needed to address issues impacting the effectiveness of its Environmental Program. Has PBS successfully implemented a comprehensive environmental management system to address environmental issues on a nation-wide level?

Program	<b>Facility Management Services</b>	September 2005
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FOCUS: GSA has developed a series of property-related Multiple Award Schedules to enable PBS associates or Federal agency tenants to quickly and easily select vendors for specific areas, including facility maintenance and management, energy management, elevator maintenance, and guard services. Have the schedules realized the savings in time, money, and effort envisioned for users of these schedules and helped them achieve more effective and efficient operations?

Program	<b>Real Property Disposal</b>	September 2005
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FOCUS: In the past two years, PBS has identified 150 buildings for disposal and 37 buildings for demolition under the Portfolio Restructuring process. Given the large volume of properties, how does PBS plan to manage this effort, what processes are in place to dispose of these properties, and what is the long-term effect on the PBS owned building portfolio?

Program	<b>Tenant Improvements</b>	September 2005
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FOCUS: Tenant improvements are the finishes and fixtures that take space from a base building, or “shell,” and put it into finished, usable condition that suits the needs of the tenant. This review will assess whether PBS is effectively managing Tenant Improvements to ensure that costs are reasonable and in the best interest of the Government.

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
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Program	<b>Customer Relationship Management</b>	March 2006
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FOCUS: PBS' goal is to be a customer-centric organization, which reflects its commitment to superior customer service. The PBS Office of Customer Service has been working to identify the desired outcomes of PBS customers and develop ways to achieve them. Is PBS developing a knowledge base on its customers in order to better plan and serve them?

Program	<b>Occupancy Agreements</b>	March 2006
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FOCUS: PBS has undertaken a project to create rent billings based on Occupancy Agreements (that are similar to leases in the private sector) rather than on the information contained in the STAR inventory system. Their intent is to enhance billing accuracy and alleviate customer concerns. Has the PBS project to create bills from the occupancy agreement resulted in more accurate, easier to understand customer bills? Is the new billing process more effective than generating bills from STAR? If not, what improvements could be made?

Program	<b>Advance Acquisition Program (AAP)</b>	March 2006
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FOCUS: Originally intended to satisfy customer agency space needs for smaller blocks of space for new and succeeding leases with minimum build out requirements at less than prospectus threshold, the Advance Acquisition Program has become a major delivery vehicle for virtually all categories of leased space. Prior estimates imply two-thirds of one region's lease activities are satisfied through AAP. Does AAP expedite rental space acquisition consistent with the intent of the program and does it result in competitive rental rates?

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
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Management Control	<b>Capitalizing Asset Costs</b>	September 2005
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FOCUS: In recent audits, we noted issues affecting the accurate assessment of costs for buildings and subsequent calculations of depreciation. Also, during the independent public accounting firm’s review of financial statements, untimely transfers of work-in-process to completed projects that can affect depreciation were cited. Accumulation of asset costs, including depreciation, is imperative for informed decision making. The audit will review whether costs are properly capitalized, building costs are accurately recorded and depreciation is determined in accordance with standards and policy.

Regulatory	<b>Water and Sewer Usage</b>	September 2005
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REQUIRED BY: The Consolidated Appropriations Act. The Act requires the Office of Inspector General to report quarterly to the Committee on Appropriations, United States House of Representatives, on the timeliness of payments made to the District of Columbia for water and sewer usage. Is the Federal Government promptly paying the District of Columbia for water and sewer services provided?

Monitor	<b>Commercial Broker</b>	Continuing
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FOCUS: In 2002, the OIG issued a report concerning the use of broker contracts. Under zero cost task orders, the lessor pays the realty fee. PBS must institute sufficient controls to safeguard against conflict of interest, as well as institute proper contract administration. This assignment will monitor the progress of the award and initial stages of implementing national broker contracts for use by PBS in acquiring space for agencies.

# FEDERAL SUPPLY SERVICE

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
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Program	<b>Expanded Direct Delivery</b>	March 2005
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FOCUS: GSA Global Supply has a new program that is intended to significantly increase the number of items FSS ships directly to customers in three areas: office supplies, tools, and maintenance supplies. The program also established numerous new electronic business transactions, including order adjustments and vendor billings for accessorial charges, for FSS with the vendor. How effectively is the GSA Global Supply Program expanding FSS sales, meeting customers' expectations, obtaining competitive prices, and complying with procurement laws and regulations? How successful is the program's functional implementation in this new environment?

Program	<b>Acquisition Quality Measurement and Improvement Program</b>	September 2005
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FOCUS: The Program establishes a process for improving FSS' acquisition program by evaluating the quality of contract negotiations and awards, with an emphasis on pricing. How effective are the results of these contract negotiation reviews in improving Contracting Officers' negotiation skills and FSS' Procurement Program?

Program	<b>Procurement and Inventory Management</b>	September 2005
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FOCUS: FSS maintains inventories of various products at its two supply depots. These products provide critical support to the National Defense and to disaster and other emergency relief efforts. In FY 2003, the supply program had sales of approximately \$1 billion. How effective is FSS' inventory management and procurement policies and practices?

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
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Program	<b>Quality Management Program</b>	September 2005
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FOCUS: The Acquisition Contractor Assessment initiative is responsible for evaluating vendors' performance relative to ordering agency considerations, adequacy of price lists and utilization of GSA Advantage, financial responsibilities, and compliance with the administrative requirements of their contracts. In order to properly evaluate a vendor's performance, FSS Contract Management personnel intend to produce a "report card" that addresses over 20 specific compliance areas. This audit will evaluate the adequacy and effectiveness of this new "report card" program.

Program	<b>Strategic Plan for Expiration of Lease for the Eastern Distribution Center</b>	September 2005
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FOCUS: The Eastern Distribution Center's 1.2 million square foot lease in Burlington, NJ is scheduled to expire in December 2010. What strategic planning and alternatives are FSS considering for the Center's size and location? Should it be relocated closer to the military supply chain that represents the bulk of its customer base? If not, what alternative makes the most economic and business sense?

Program	<b>Award of Streamlined Technology Acquisition Resources for Services (STARS) Government-Wide Acquisition Contract (GWAC)</b>	September 2005
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FOCUS: The STARS GWAC is a small business set-aside multiple award contract for technology solutions that was designed to help small businesses become successful partners selling to the Federal Government. Prior to award, the OIG was asked to look at the award process, during which some potential issues were identified. This review will assess the effectiveness of procurements under this GWAC.

TYPE OF  
REVIEW

AUDIT TITLE

COMPLETION  
DATE

Program

**eTravel**

March 2006

FOCUS: The eTravel project was initiated in November 2001 as one of the original eGovernment initiatives undertaken in response to the President's Management Agenda (PMA). GSA was designated the Managing Partner and FSS its sponsor. The goals of eTravel are to consolidate the Federal government's travel process in a Web-centric service, covering all steps of a travel transaction, from authorization and reservations to travel claims and voucher reconciliation. Have adequate management, operational, and technical controls been established to ensure e-government goals are realized for efficiency, administrative performance, and regulatory compliance relative to government travel?

Management  
Control

**Controls Over Alliant  
Contract**

September 2005

FOCUS: Alliant is an anticipated Government-wide Acquisition Contract (GWAC) for information technology services, which is currently under development by the Pacific Rim Region. It is being developed to succeed two current GWAC s, Millenia and Answer, with the award planned for 2006. The estimated ceiling value of this IT Services contract is expected to be over \$100 billion. This review will assess current plans for the contract and whether controls are being built into the contract to ensure such things as adequate competition and best value for the Government.

TYPE OF  
REVIEW

AUDIT TITLE

COMPLETION  
DATE

Management  
Control

**Consistency in  
Implementing Policy Across  
Acquisition Centers**

March 2006

FOCUS: The FSS Multiple Award Schedules Program is one of GSA's largest programs with over 14,000 contracts and \$25 billion in annual sales. FSS Central Office is responsible for issuing the national operating and negotiating procedures and policy guidance for all of the acquisition centers. This review will assess how effectively and efficiently the policy guidance is being implemented by the acquisition centers. It will identify if there are controls over the implementation and adherence to these policies by the centers. If so, what inconsistencies exist and what impact do they have on GSA's largest procurement program?

Management  
Control

**Award of Contracts and  
Schedules to Small  
Businesses**

March 2006

FOCUS: There has been a dramatic decline in the number of small business contractors receiving new contract awards from a high of 26,506 in FY 1991 to a low of 11,651 in FY 2000. The Office of Federal Procurement Policy also reported that in FY 2002, significantly fewer small businesses are receiving Federal Government contracts. The completeness, accuracy, and reliability of data being reported by Federal Agencies could be contributing factors. This review will assess whether FSS and the Office of Enterprise Development are effectively managing the program and accurately and completely measuring and reporting the success achieved by small, 8(a), etc. businesses, as well as evaluate the adequacy and availability of small business contracting information from the Federal Procurement Data System – New Generation. What can be done to improve the reliability and timeliness of data and improve small business opportunities?

# FEDERAL TECHNOLOGY SERVICE

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
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Program	<b>FTS Client Support Centers</b>	March 2005
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FOCUS: This is a follow-up review to the Federal Technology Service, Client Support Center audits performed during FY 2004 in which the audits identified improper task order and contract awards for goods and services through the Information Technology Fund. This audit will assess the effectiveness of controls and processes that FTS implemented in response to the reported procurement deficiencies.

Program	<b>FTS European Client Support Center</b>	March 2005
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FOCUS: Is the European Client Support Center (ECSC) effectively and efficiently meeting customers' needs with the most cost-effective business solutions? Are ECSC contracting officers following procurement regulations when issuing task orders or taking other contractual actions on behalf of its clients? Is the ECSC effectively using performance-based contracting principles?

Program	<b>Innovative Business Solutions</b>	September 2005
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FOCUS: GSA's Office of Innovative Business Solutions brings together new technology programs and explores emerging technologies to better serve the rapidly growing Federal information technology (IT) market. Are the innovative technology and programs competitively procured and do they provide best value solutions for the clients? Is the Office of Innovative Business Solutions sufficiently providing its clients with cost efficient, innovative technological solutions to enhance their business processes?

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
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Program	<b>FEDSIM</b>	September 2005
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FOCUS: The Federal Systems Integration and Management (FEDSIM) Program provides leading edge information technology goods and services to Federal Agencies worldwide on a cost reimbursable basis. The FEDSIM sales are growing rapidly with expected revenues approaching a billion dollars. This review will focus on whether FEDSIM is efficiently fulfilling customer orders, managing customer accounts, and keeping customers informed. If not, what can be done to improve its operational efficiency and effectiveness?

Program	<b>Connections Program Contract</b>	March 2006
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FOCUS: The Connections contract, awarded in January 2003, is intended to provide equipment and services, support services, and solutions to meet a variety of telecommunications infrastructure needs worldwide. Are there appropriate controls to ensure task orders are properly managed, task orders are in compliance with applicable contract provisions and procurement regulations, and customer agencies' funds are properly accounted for? The focus will be on task orders where FTS has been delegated Designated Agency Official authority.

Management Control	<b>Internal Controls Over FEDSIM</b>	September 2005
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FOCUS: The Federal Systems Integration and Management (FEDSIM) Program multiple award, indefinite quantity contracts provide streamlined, responsive acquisition support across the full spectrum of complex Federal information technology requirements for Federal agencies. Are the internal controls over the disbursement and revenue cycles of FEDSIM effective and operating efficiently?

# OFFICE OF THE CHIEF FINANCIAL OFFICER

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
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Management Control	<b>PEGASYS Account Analysis</b>	March 2006
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FOCUS: Pegasys is GSA's integrated financial management system. The audit will conduct account balance and transaction analyses of GSA's financial statements. These analyses will supplement those limited procedures conducted by GSA's Independent Public Accounting firm.

Management Control	<b>Management Assurance Statement Process</b>	March 2006
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FOCUS: The Federal Managers' Financial Integrity Act (FMFIA) requires the Administrator to annually provide to the President and Congress an Assurance Statement indicating whether GSA's management control systems achieve their intended objectives, as prescribed in OMB Circular A-123. The review will focus on the policies and procedures used by GSA managers from branch level up to complete their yearly assurance statements.

Regulatory	<b>Internal Controls Over Payroll</b>	September 2005
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REQUIRED BY: Government Management Reform Act of 1994. The Inspector General is required to assist the Office of Personnel Management in assessing the reasonableness of the personnel withholding and contribution information reported by GSA.

Regulatory	<b>Management Challenges</b>	September 2005
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REQUIRED BY: Reports Consolidation Act of 2000. The Inspector General must render an opinion on the most serious management and performance challenges facing the agency.

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
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Regulatory	<b>Federal Managers' Financial Integrity Act 2005</b>	March 2006
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REQUIRED BY: Federal Managers' Financial Integrity Act. Inspectors General must assess and report on the adequacy of their Agencies' management controls.

Regulatory	<b>Oversight of CPA Contract, 2005</b>	March 2006
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REQUIRED BY: The Chief Financial Officers Act of 1990. This Act requires an annual audit of organization-wide financial statements.

Monitor	<b>Management of Payroll Consolidation</b>	Continuing
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FOCUS GSA is one of three agencies that will provide payroll services for the entire Federal Government. GSA currently provides payroll services to approximately 25 agencies. In the future, GSA, in partnership with the Department of Defense, will be providing electronic payroll services to even more Federal agencies. This assignment will monitor the progress of the payroll consolidation.

# OFFICE OF THE CHIEF INFORMATION OFFICER

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
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System	<b>Contingency Planning Practices for IT Systems</b>	September 2005
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FOCUS: GSA, along with the Federal Government as a whole, is relying more and more on its Information Technology (IT) and automated information systems for performing its business processes. It is critical that the services provided by these systems are able to operate effectively without excessive interruption. Contingency planning supports this requirement by establishing thorough plans and procedures and technical measures that can enable systems to be recovered quickly and effectively following service disruptions or disasters. Our primary focus will be to evaluate contingency planning procedures for select IT systems to determine if GSA: (1) has conducted a business impact analysis, (2) identified preventative controls, (3) developed recovery strategies, (4) developed a contingency plan, (5) tested the contingency plan, and (6) planned for its maintenance.

Regulatory	<b>Federal Information Security Management Act</b>	September 2005
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REQUIRED BY: Federal Information Security Management Act of 2002. This audit will assess whether GSA's IT Security Program ensures that adequate managerial and technical controls are in place for IT systems; and that integrity, confidentiality, authenticity, availability, and non-repudiation are provided for information maintained within the IT enterprise architecture.

# OFFICE OF THE CHIEF PEOPLE OFFICER

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
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Management Control	<b>Telework Program</b>	September 2005
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FOCUS: The FY 2001 Department of Transportation and Related Agencies Appropriations Act included a provision that "Each executive agency shall establish a policy under which eligible employees of the agency may participate in telecommuting to the maximum extent possible without diminishing employee performance." In response to this Act, GSA has established a goal to be a leader in the development and overall use of flexible workplace programs, including telework. This review will determine if GSA has developed adequate procedures for the implementation of the telework program within the Agency, if those procedures are operating effectively to manage the program, and if proper management and monitoring of the program is in place.

Management Control	<b>Controls over FECA Compensation and Medical Benefit Expense</b>	March 2006
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FOCUS: The Federal Employees' Compensation Act (FECA) provides income and medical cost protection to covered Federal civilian employees injured on the job, employees who have incurred a work-related occupational disease, and beneficiaries of employees whose death is attributable to a job-related injury or occupational disease. Does GSA have policies and procedures in place to perform periodic reviews of medical evidence to verify if a continuing disability exists, as required by the FECA Procedures Manual, in order to determine if all compensation and benefits expenses are necessary from an operating standpoint?

# MULTIPLE SERVICES

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
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Program	<b>Competitive Sourcing Initiative</b>	September 2005
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FOCUS: The President's Management Agenda (PMA) requires each Federal Agency to subject commercial tasks performed by the Government to competition. How effectively is GSA implementing the provisions of the Competitive Sourcing (A-76) Initiative? What improvements are needed to achieve a successful status score on the PMA Scorecard?

System	<b>Enterprise-wide Customer Relationship Management</b>	March 2006
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FOCUS: GSA's mission is to help Federal agencies better serve their public by offering best value workplaces, expert solutions, and acquisition services. It must continually create new and better ways to be well informed of its customers' needs in order to proactively meet them. What is GSA's progress in establishing, developing, and implementing an effective and secure agency-wide customer relationship management system? Are adequate business objectives, outcomes, and necessary controls being established to manage key risks?

System	<b>Integrated Acquisition Environment</b>	March 2006
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FOCUS: The Integrated Acquisition Environment (IAE), an eGovernment initiative in the President's Management Agenda, is a government-wide effort, under the management of GSA, to unify and simplify cross-government/vendor acquisition processes. This integrated audit will assess both technical and programmatic considerations for IAE including: (1) How is GSA ensuring that IAE meets its objective to achieve cost savings through consolidation of vendor information, procurement data systems, and common practices? (2) What specific progress has been made with the development of Business Rules for Intragovernmental transactions required for IAE? and (3) What operational, managerial, and technical controls are in place to manage the risks for IAE?

TYPE OF REVIEW	AUDIT TITLE	COMPLETION DATE
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Regulatory	<b>Quality Control Review of Single Audit</b>	September 2005
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FOCUS The GSA OIG is the designated cognizant agency for audit responsibilities for the City of Erie, PA and the Salt Lake City Olympic Committee. This Quality Control Review will: 1) assure that the audits performed by Independent Public Accountants were conducted in accordance with applicable standards and meet the single audit requirements in OMB Circular A-133, 2) identify any follow-up audit work needed, and 3) identify issues that may require management attention.

Regulatory	<b>Performance Measures</b>	March 2006
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REQUIRED BY: OMB Bulletin No. 01-02, Audit Requirements for Federal Financial Statements. We will select a sample of performance measures for test and evaluation following the guidelines in the OMB Bulletin.

## **OTHER INTERNAL REVIEWS**

### **Regional Plan Audits**

Our audits in the Regional area include those planned at the beginning of the Fiscal Year that are to initially be performed at the local level and, if found to have national impact, expanded to other regions. These planned audits have been listed previously in the various service or staff office sections. In addition, we have set aside internal direct staff time for performing regional plan reviews that are initiated by the Regional Inspector General for Auditing to

address management requests and to review areas of regional interest.

### **Preventative Audits**

In addition to the reviews identified previously, we will continue to perform the recurring types of preventative audits. These reviews are designed to assure that GSA gets what it pays for and to assess the economy and efficiency of operations and compliance with laws, regulations, and policies.

## **CONTRACT AUDIT COVERAGE**

The FY 2005 Audit Plan provides resources for assisting contracting officials with evaluations of significant proposals and contracts. We have not identified the specific preaward or postaward contract reviews that will be undertaken since not all contract

awards are discernable at the beginning of the fiscal year. Instead, we assign a block of time to our field offices for performing the various types of contract attestation reviews, as needed, at the discretion of each audit office based on materiality and resources.

# SERVICES

The services the Office of Audits provides, as well as a brief description of each service, are listed in the following paragraphs. GSA management and contracting officials can request services via telephone, FAX, e-mail, or letter at any time. For Central Office requests, please contact Mr. Andrew Russoniello, Director, Audit Planning, Policy, and Operations Staff. For regional requests, please contact the Regional Inspector General for Auditing in the cognizant region. The office addresses and telephone numbers for our various contact points may be found on pages 26-29.

## AUDIT SERVICES

We intend to produce audits that add value to GSA. The audit services we normally provide include:

- **Program Reviews** that assess whether the program is meeting expectations, operating in a cost-responsible manner, or could be accomplished in a better way;
- **Systems Reviews** that evaluate whether GSA's information systems assist the Agency in meeting customer needs, allow management to assess the efficiency and effectiveness of operations, are properly secured, and meet all user requirements;
- **Management Control Reviews** that assess whether the existing system of management controls can reasonably ensure that program assets are adequately safeguarded, efficiently used, and provide safeguards against fraud, waste, or abuse;
- **Regulatory Reviews** that are mandated by law or regulation such as FMFIA, GPRA, the Chief Financial Officers Act, etc.; and

- **Compliance Reviews** that are performed to evaluate conformance with applicable laws, regulations, and policies.

## **OTHER SERVICES**

The Office of Audits assists management in improving operations and assessing the best ways to do business. We advise managers based on independent assessments of programs, functions, procedures, etc. The types of services we offer include the following:

- **Best Practice and Benchmark Reviews** determine if GSA is delivering comparable products and/or services as effectively as other entities;
- **Task Force Participation** that involves furnishing staff auditors to advise and assist Agency Task Forces in an ex-officio capacity;
- **Monitoring Services** entail assigning an auditor(s) to observe ongoing Agency actions and advise management of potential problems, give assurance that appropriate controls exist, etc.
- **Fraud Probes** that are normally performed when either GSA management or the OIG suspects that fraudulent activity may exist,
- **Speaking at Meetings/Functions** on agreed upon subjects, and sharing expertise with Agency employees.

## **CONTRACTING OFFICER SERVICES**

The Office of Audits provides assistance to contracting officials in awarding and administering GSA contracts. We perform both preaward audits of proposals and postaward audits of contracts. We also furnish support to Agency contracting and legal personnel in negotiation/litigation of claims and contract disputes. In addition, we furnish assistance on civil fraud and criminal matters.

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